

AUG 18 1986

THE NEW YORK TIMES, SUNDAY, AUGUST 17, 1986

Yacht Sponsorship Uncertain

By BARBARA LLOYD

The six American challengers for the America's Cup are clamoring for corporate support to meet their multimillion-dollar budget requirements. But their inability to form a united front has proved costly.

The latest loss came last week. The American Express Company had come up with a plan to distribute \$1 million to the American syndicates based on their performance in the challengers' trial races, which are scheduled to begin Oct. 5 near Perth, Western Australia. The company stipulated during a meeting with the challengers July 16 in New York that its proposal hinged on acceptance by all six groups.

The deadline for deciding was Aug. 8; by that date, one group had rejected the offer and another wanted the conditions rewritten. With that, American Express said it could go no further with the plan.

It was not the first time that challengers have lost substantial corporate support through their inability to agree. Last February, Philip Morris, Inc. withdrew a proposal to offer the six syndicates more than \$4 million if they would all participate in a regatta on the West Coast.

George Carmany 3d, senior executive vice president of American Express, said last week that the company considers the issue closed. The money was to have been awarded to the syndicates through the United States Yacht Racing Union, the sport's national authority. It was to have been earmarked to defray costs within the syndicates — for boat construction, equipment or sails.

"We wanted to maximize America's chances at winning back the cup," Carmany said. "Our plan was to support whoever seemed best qualified." American Express made a special effort to gain approval from the yacht racing union to avoid any questions of impropriety.

But Leonard Greene, chairman of the Courageous Challenge of White Plains, N.Y., said that he believed the offer contradicted the principles of amateur sport. He said that he would refuse to accept any of the money because he considered it prize money.

The yacht racing union, however, disagrees. Harman Hawkins, a lawyer who is a member of the union's Legal Committee, advised the six United States cup syndicates that no team members' amateur status would be jeopardized by accepting the American Express offer. And neither would they have to worry about their Olympic status.

Hawkins said during a subsequent interview that the money is a grant, and is not regarded as a prize. American Express was considering a plan to offer various amounts of the \$1 million to whatever American boats might make it to the semifinals and finals of the elimination series.

"Some might ask whether the syndicates are getting money related to their sailing performance, or whether an individual sailor is getting money," Hawkins said. "The answer is no; it is to be used for expenses."

Greene said that he was unaware that American Express would withdraw its offer if all the syndicates weren't involved. Others maintain that the company made that point clear from the start. William Lynn, president of the yacht racing union, was critical last week of Greene's position. "He has done a total disservice to the sport of sailing and to the other America's Cup syndicates," Lynn said.

Opposed to Corinthian Spirit

Greene said he had no intention of spoiling it for the others, but is concerned about the future of the sport. "While we welcome support, we do not believe prize money is proper for yacht racing," Greene said. "Courageous thinks that the American Express proposal tends toward the pro-

fessionalism of yacht racing and is diametrically counter to the Corinthian spirit, which has traditionally inspired yacht racing."

Another group, the Golden Gate Challenge of San Francisco, withheld its initial support for the American Express idea in hopes of changing the agreement to suit its own sponsorship requirements. Bob Scott, chairman of the West Coast group, said that he hoped American Express would reconsider once it reviewed his group's proposal. But it appeared late last week that the company had made up its mind.

"We've said to everyone that we had an offer that everyone seemed to like," Carmany said. "We've invested an enormous amount of time in this, and now we have to get on with our other business."

Charles Ward, the marketing director for Sail America, said that his team had given up on the challengers' ability to unify. His group is led by Dennis Conner, the San Diego yachtsman whose boat lost the America's Cup to the Australians in 1983. Sail America and the New York Yacht Club's America II group have cornered most of the major corporate support in the country. Both have \$15 million budgets, of which about \$4 million is still outstanding.

"American Express had come up with a very workable formula," Ward said. "They made an offer that would have solved most of the problems on how they distribute the money, by giving weight to the more significant syndicates."

Ward said that Sail America plans to withdraw from The Americans, a challengers' fund-raising group that has had limited success since it was formed last April. But even that organization failed to enlist the support of all the challengers. The America II syndicate refused to join on the basis that it would cause problems for New York's other sponsors.

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